

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

(1) PRE-PAID LEGAL SERVICES, INC.,)	
)	
Plaintiff,)	
)	
v.)	Case No. _____
)	
(1) ERIC WORRE,)	
)	
Defendant.)	

COMPLAINT

Plaintiff, Pre-Paid Legal Services, Inc. ("Pre-Paid") for its causes of action against Defendant, Eric Worre ("Worre") alleges and states as follows:

PARTIES

1. Pre-Paid is a corporation organized and existing under the laws of the State of Oklahoma, which has its principal office in Pontotoc County, State of Oklahoma.

2. Defendant, Worre, is an individual who is a resident of the State of Minnesota and who has had numerous contacts with the State of Oklahoma.

JURISDICTION AND VENUE

3. Jurisdiction of this action is based upon 28 U.S.C. §1332, as there is complete diversity between the parties who are citizens of different states, and the amount in controversy, exclusive of interest and costs, exceeds the sum of \$75,000.

4. Venue of this action is appropriate in this district in accordance with the terms of a Debt Restructure and Settlement and Security Agreement between Pre-Paid and Worre.

FACTUAL BACKGROUND

5. The parties entered into a Debt Restructure and Settlement and Security Agreement dated June 29, 2004 (the "Agreement"). Under paragraph 5.8 of the Agreement, the parties agreed that any litigation based on the Agreement shall be brought in the District Court of Pontotoc County or in this Court.

6. Pursuant to the terms of the Agreement, Worre delivered a Promissory Note (the "Note"), payable to Pre-Paid in the original principal amount of \$1,382,247.00 plus interest, pursuant to the terms of the Note.

7. Pursuant to additional terms of the Agreement, Worre agreed for a period of five (5) years after his termination date with Pre-Paid not to directly or indirectly solicit, induce or attempt to induce any employee or vested sales associate or independent contractor of Pre-Paid to leave his or her employment or service or in any way interfere with the relationship between any such employee, sales associate or any independent contractor.

8. The Agreement further provides that if any of Worre's representations and warranties in the Agreement are inaccurate or if Pre-Paid gives notice to Worre of his failure to comply with his obligations under the Agreement and such failure is not cured to the reasonable satisfaction of Pre-Paid within fifteen (15) days after such notice of an event of default shall occur, all amounts due and payable to Pre-Paid under the Note shall immediately upon demand by Pre-Paid become due and payable.

FIRST CAUSE OF ACTION - BREACH OF CONTRACT

9. Paragraph Nos. 1 through 8 are incorporated by reference.

10. Defendant has breached the Agreement by soliciting and interfering with Pre-Paid associates. Defendant has personally contacted Pre-Paid associates and sought their participation in Agel Enterprises, L.L.C. Further, Defendant has caused other persons on his behalf to contact and solicit Pre-Paid associates in violation of the Agreement.

11. Pre-Paid has given Defendant notice of his breach on or about June 28, 2005, but Defendant has denied the breach and has failed to take any action to attempt to cure the breach.

12. Based on the breach, the Note is immediately due and owing based on Pre-Paid's acceleration of the Note.

13. Despite demand, Defendant has failed to pay the outstanding balance of the Note in the amount of \$1,440,437.57, plus interest which continues to accrue.

14. Defendant's breach of the Agreement has resulted in damages to Pre-Paid in an amount yet to be determined.

SECOND CAUSE OF ACTION - INJUNCTIVE RELIEF

15. Paragraph Nos. 1 through 14 are incorporated by reference.

16. Defendant has breached the Agreement and such breach has resulted in damage to Pre-Paid for which monetary relief cannot fully compensate Pre-Paid.

17. Pre-Paid has suffered irreparable injury, and will continue to suffer irreparable injury if Defendant is not enjoined from continuing to violate the covenants set forth in the Agreement.

WHEREFORE, Pre-Paid demands judgment against Defendant on the Note in the principal amount of \$1,440,437.57, additional damages, interest, attorney's fees and costs.

s/Todd Taylor
Todd Taylor, OBA # 12007
John M. Thompson, OBA #17532

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JURY TRIAL DEMANDED
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